



Date: April 17, 2012

To: Thomas J. Bonfield, City Manager
Through: Theodore L. Voorhees, Deputy City Manager
From: Joel V. Reitzer, Jr., Director, General Services Department
David M. Fleischer, Real Estate Manager, General Services Department
Donna E. Lunsford, Senior Real Estate Officer, General Services Department
Subject: Donation of Vacant Parcels: Wesley St. – Parcels 115253, 115254, 113664, 113665, 113666, and 1208 Miami Blvd. – Parcel 113662

Executive Summary

The Real Estate Division received a written request from Rebel Realty Company (Rebel), owner of the vacant lots at 1200, 1201, 1203 and 1205 Wesley Street and 1208 Miami Boulevard inquiring whether the City of Durham was interested in accepting the vacant parcels as a donation. Rebel was informed that if there was a current or future public use, a recommendation would be made to City Council for acceptance of the proposed donation. Rebel was informed that acceptance by Council would be conditioned upon the following: 1) receipt of a title search confirming that Rebel has the legal ability to convey title to the City via general warranty deed, that the properties are clear of claims and liens, and that taxes are current at the time of transfer; and 2) receipt of a Phase I Environmental Assessment Report verifying acceptable environmental conditions exist on the parcels.

The Real Estate Division conferred with City departments to determine if there is a current or future public use or purpose for these parcels. Public Works Department indicated that all six parcels could be used for stormwater projects, and the Department of Parks and Recreation (DPR) indicated that the parcels, adjacent to Sherwood Park, could be utilized as an addition to the park, while also adding to the trails and greenway plan for the Goose Creek Trail project. Additionally these parcels have been identified as “keystone properties” for qualifying as a high-priority riparian site in the Ellerbe Creek Watershed.

City Council’s acceptance of this donation will allow Public Works and DPR to fulfill a public purpose or benefit. The estimated costs associated with closing are \$11,727.00 which includes survey, title search, document preparation, Phase I Environmental Assessment, proration of property taxes, title insurance and recording fees.

Recommendation

The General Services Department, the Public Works Department, and the Department of Parks and Recreation recommend that City Council accept the following parcels as a donation subject to receipt of an acceptable Phase I Environmental Assessment, conveyance of title by a general warranty deed and clear title to each property identified as Parcel ID (PID) # 115254 (1200 Wesley Street), PID # 115253 (1200 Wesley Street), PID # 113666 (1205 Wesley Street), PID # 113665 (1203 Wesley Street), PID # 113664 (1201 Wesley Street), and PID # 113662 (1208 Miami Boulevard) from Rebel Realty Company.

Background

Rebel Realty Company's William Timothy Lattimore and his brother, George McNeil Lattimore, inherited the properties from their father many years ago. These parcels adjoin Sherwood Park off Miami Boulevard. Note that two parcels 115254 and 115253 have the same address of 1200 Wesley Street. 1208 Miami Boulevard is the only parcel with road access. The other parcels are landlocked and lie within the 100 year floodplain. Goose Creek touches three parcels: 115254, 115253 and 113664. These parcels contain an existing sanitary sewer outfall along Goose Creek. Acceptance of the properties will help preserve the stream and floodplain and allow the City to install stormwater control devices.

According to the Public Works, Stormwater Services Division, the parcels are appropriate for installation of stormwater structures, which is a management practice put in place after development has occurred to improve water quality, protect downstream channels or reduce flooding. Public Works is ready to begin these projects. With acceptance of the donated parcels, DPR will be able to add to Sherwood Park and expand the trails and greenway plans for the Goose Creek Trail project.

Issues/Analysis

- Contingencies for Donation Acceptance: All three conditions must be met – (1) properties conveyed by general warranty deed; (2) property owners must provide clear title with no outstanding judgments, liens, ad valorem taxes or other encumbrances attached to the property; and (3) results of the Phase I Environmental Assessment must show no site contamination.
- Purchase of Title Insurance is recommended to protect the City's interest.

Alternatives

City Council has the discretion to not accept the donation. This alternative is not recommended, as there exists a public purpose and benefit if the City accepts the donation which will allow for enhanced stormwater services, will add to Sherwood Park and will expand the trails and greenway plans for the Goose Creek Trail project.

Financial Impact

Estimated expenses to the City: The City will be responsible for the following costs which will be paid by the Public Works Stormwater Management Professional Service Fund:

Phase I Environmental Assessment	\$4,200.00
Survey	\$2,400.00
Title Search, Document Preparation and Title Insurance	\$2,450.00
Recording Fee	\$47.00
Prorated share of ad valorem taxes if closing occurs before July 2012	\$2,630.00
Total	\$11,727.00

SDBE Summary

This item does not require review by the Equal Opportunity/Equity Assurance Department; however, they were consulted for on-call professional services.

Attachments: Map of Parcels